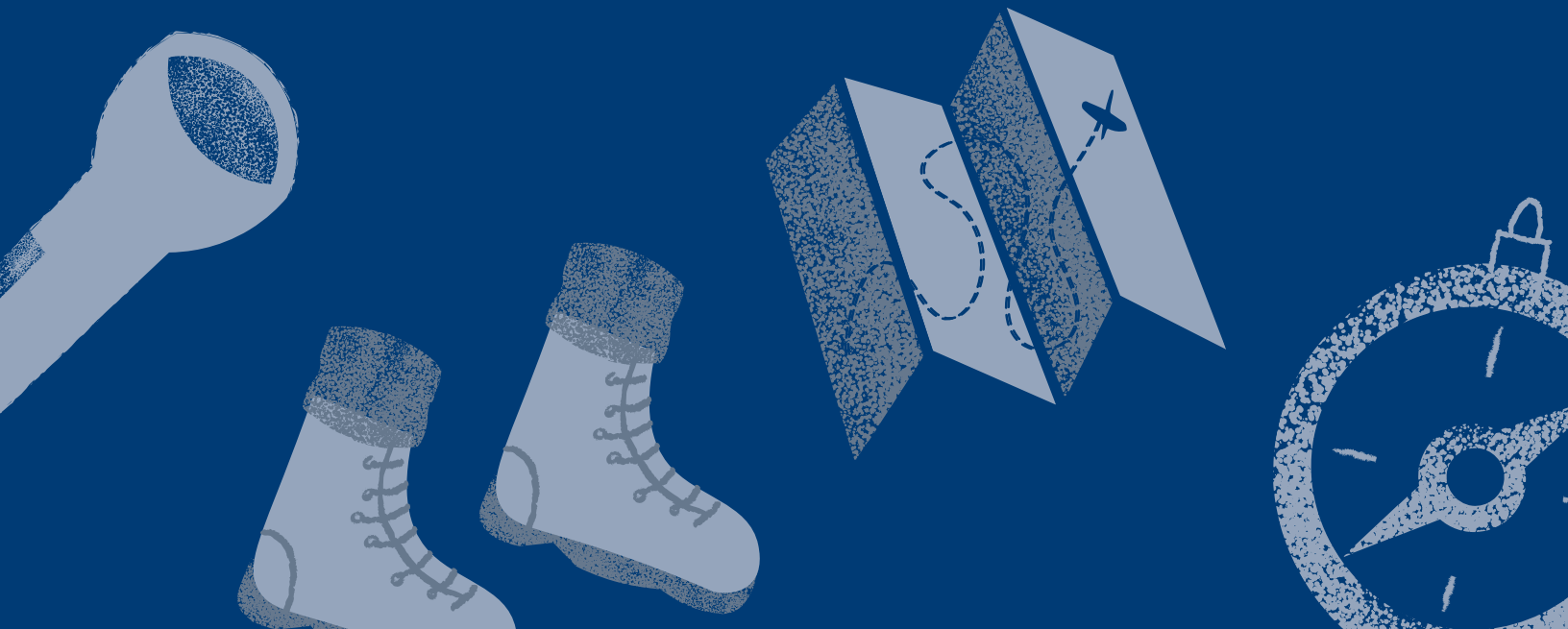
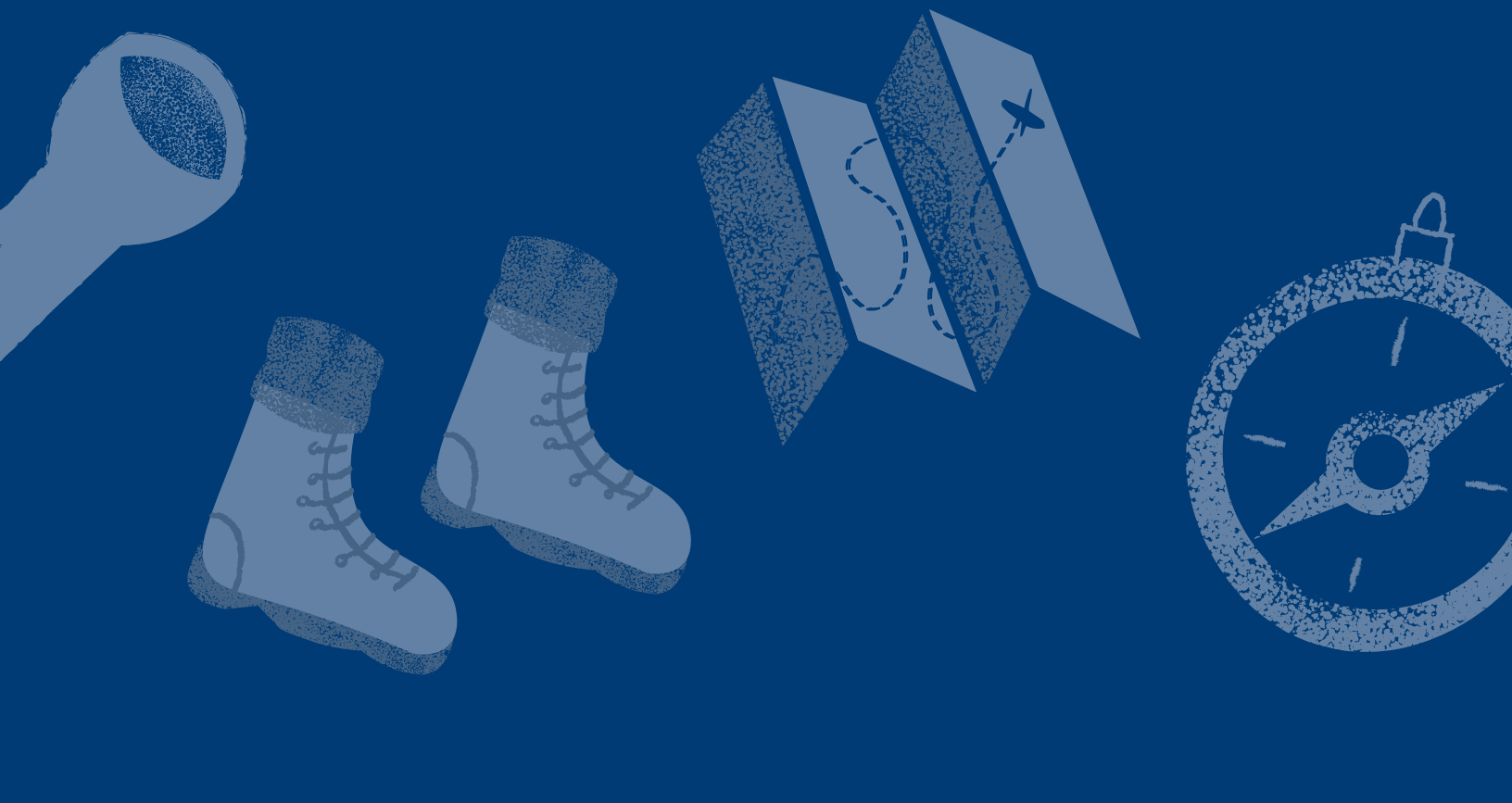




Choosing Your Performance Management Pathway





Getting Started

Designing or redesigning your organization's approach to performance management can seem overwhelming, but it doesn't have to be. This guide will help you make informed decisions that work for your organization today, without having to design from scratch.

In this guide, you'll find:

- Quantum Workplace research on performance management
- Questions to help you audit your current approach & desired future state
- Sample Performance Pathways to inspire your program design
- Decision points to help design and implement your program



Research on Performance Management

What makes performance management engaging?

Performance management—if done well—can be engaging. Quantum Workplace research shows which elements of performance management are most connected to engagement.

ENGAGEMENT HIGH IMPACT QUESTIONS RELATED TO PERFORMANCE MANAGEMENT:

- 1 If I contribute to the organization's success, I know I will be recognized.
- 2 My performance at work is evaluated fairly.
- 3 My manager regularly provides me with effective feedback that helps improve my performance.
- 4 My performance goals are aligned to our organizational goals.
- 5 I am empowered to decide how my work gets done.

Put this into action: As you're designing your organization's approach, reflect on whether it's optimized to also strengthen employee engagement.

How can I make the most of performance reviews?

Performance reviews don't have to be a drag! In fact, they can be viewed as effective and fair by employees. They have the potential to inspire better performance and even strengthen employee engagement. Here's what our research says about reviews.

WHEN PERFORMANCE REVIEWS...

- 1 Are rooted in data (i.e. objective)
- 2 Recognize great work
- 3 Focus on the employee's development and growth
- 4 Incorporate actionable advice from the manager

EMPLOYEES ARE MORE LIKELY TO...

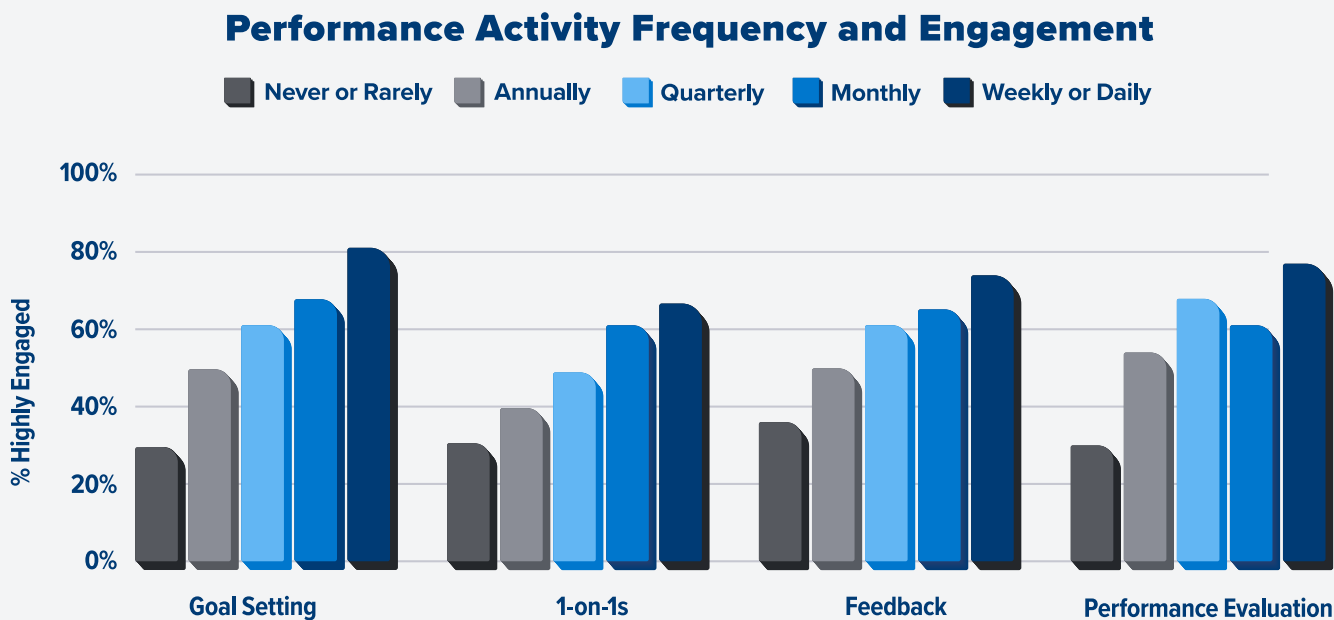
- 1 Believe the review was effective
- 2 Feel the review was fair
- 3 Improve their performance
- 4 Be highly engaged

Put this into action: Strive to design a review process that is objective, recognizes great work, focuses on growth and development, and incorporates actionable advice that can be followed up on in future conversations.



How often should we complete various performance activities?

Frequency of performance activities matters. Time and again, our research elevates that a higher frequency of performance conversations, 1-on-1s, and goal updates correlates with stronger employee engagement.



Put this into action: Jumping from annual reviews to quarterly reviews, or rare feedback to monthly feedback, is likely not feasible. Instead, move incrementally toward a higher frequency as managers and employees build stronger habits.

Evaluating Your Approach

Before you get too attached to a perfect end state, it's helpful to first evaluate:

- Your current approach to performance management
- Your desired future state for your program
- The business, people, and change management factors you need to consider

This will help you make informed decisions when designing a performance management approach that works best for your organization today and builds a foundation for the future.

CURRENT APPROACH

What is the current state of performance management?

What do leaders/employees like about the current process?

What do they dislike?

What aspects do you want or need to keep?

What needs to change?

DESIRED FUTURE STATE

What is your ideal state for performance management?

How far are you from that ideal state today?

How can you move incrementally toward that ideal state?

BUSINESS, PEOPLE, & CHANGE MANAGEMENT FACTORS

How is performance measured and evaluated today?

Do managers and employees know what good, bad, and great performance look like?

Is the cadence of evaluating performance ideal?

Are managers comfortable playing the role of coach when it comes to employee performance and development?

Where could managers use more training or support?

How do recognition and rewards tie into performance management currently?
What can or should be changed?

How does employee performance tie to compensation currently?
What can or should be changed?

Once you've reflected here, it can be helpful to type out your organization's philosophy on employee performance. This can serve as a "North Star." As you're designing your approach, you can ensure it aligns with your philosophy.

Pro Tip: Your organization's performance philosophy should align with your philosophy on employee compensation. However, we recommend keeping these separate.

Here are a few examples of how to put pen to paper that can inspire your own:

"We believe every employee directly contributes to our success. Accordingly, they should be held accountable for strong performance and rewarded for large impact. We support employees to perform their best through a culture of continuous feedback, coaching, and development."

"We believe that performance management is not just about evaluating past performance but about fostering continuous growth and development. Our philosophy centers on collaboration, transparency, and mutual respect. We aim to create an environment where feedback is ongoing, goals are clearly aligned with our mission, and every team member feels supported in their professional journey. We recognize that each employee brings unique strengths, and our goal is to help you unlock your full potential through meaningful conversations, personalized development plans, and recognition of your contributions. Performance management is a shared responsibility, and together, we strive to make work better every day."

"We expect every team member to be aligned with our strategic goals and feel empowered to contribute to our shared vision. While we value continuous growth and development, we also recognize that delivering results is essential to our mission. We are committed to providing the tools, resources, and feedback necessary for you to excel in your role and meet your objectives. Accountability, clear expectations, and regular check-ins are key components of our approach, ensuring that each employee understands their impact on our collective achievements. Together, we celebrate successes, learn from challenges, and drive performance that makes a difference."

WRITE OUT YOUR PERFORMANCE MANAGEMENT PHILOSOPHY:



Designing Your Approach

It's time to start designing! Our Performance Pathways are a great starting point. Each pathway illustrates a common approach to performance management tailored to different organizational characteristics and maturity in performance management. You may fully adopt a pathway or use it as a starting point to edit from.

PERFORMANCE PATHWAYS:

Performance Evaluation

This pathway helps standardize your approach to performance evaluation by focusing on structured performance reviews. It involves formal review cycles launched by HR to align employee performance with organizational goals.

BEST FOR ORGANIZATIONS THAT:

- ✓ Experience little or slow change
- ✓ Desire structured feedback, ratings to inform talent decisions, and performance accountability
- ✓ Need a systematic starting point to evaluate and guide performance



PERFORMANCE REVIEWS



GOALS



1-ON-1S



ACTIVITY

Mid-year and year-end performance reviews using a structured template.

Individual and/or team goals aligned to organizational goals.

Manager-employee touchpoints between reviews on tasks, priorities, development, feedback.



PURPOSE

Align on how performance compares to expectations. Use ratings to inform talent decisions like promotions and compensation.

Direct employee work to areas most critical for organizational success and use to assess performance.

Foster visibility, alignment, trust, and allow for open feedback.



TRAIL GUIDES

HR launches automated cycles. Managers complete reviews with employees.

Leadership sets organizational goals. Managers set aligned team goals and collaborate with employees on individual goals.

Managers and employees initiate.



SUGGESTED ITINERARY



PERFORMANCE PATHWAYS:

Performance Development

This pathway offers a structured framework for fostering employee growth and skill enhancement. It helps managers support employees at various stages of their career journeys, ensuring they receive targeted development opportunities.

BEST FOR ORGANIZATIONS THAT:

- ✓ Invest in employee engagement
- ✓ Experience unwanted turnover due to perceived lack of growth and development
- ✓ Are growing quickly, with increasing development, promotion, or project opportunities

SEE HOW FOSSIL GROUP DOES IT →



PERFORMANCE REVIEWS



GOALS



FEEDBACK



1-ON-1S



ACTIVITY

Mid-year and year-end performance reviews using a structured template that focuses on both performance and development.

Individual and/or team goals aligned to organizational goals and employee-set developmental goals.

Multiple feedback opportunities (project, work, multi-rater) from multiple sources (managers, team, customers).

Regular touchpoints for coaching to performance and development. Dedicated career growth conversation at least annually.



PURPOSE

Align on past performance, areas of development, and performance/development priorities.

Inspire individual performance and growth and align with organizational objectives.

Continuous feedback that supports personal and professional development.

Discuss goal progress, feedback, and developmental progress. Enable manager to coach to performance/development.



TRAIL GUIDES

HR launches automated cycles. Managers complete reviews with employees.

Leadership sets organizational goals. Managers set aligned team goals and collaborate with employees on individual goals.

HR launches automated multi-rater cycles. Employees and managers can request project and ad-hoc feedback at any time.

Managers and employees initiate. HR may launch cycles for development and/or career growth to build habits and guide conversations.

MONTH 1



MONTH 2



MONTH 3



MONTH 4



MONTH 5



MONTH 6



MONTH 7



MONTH 8



MONTH 9



MONTH 10



MONTH 11



MONTH 12



ONGOING: feedback, recognition



PERFORMANCE PATHWAYS:

Performance Coaching

This pathway empowers managers as agents of employee success through frequent, meaningful conversations that extend beyond performance reviews. This approach fosters a high-trust environment with robust feedback, development opportunities, and recognition.

BEST FOR ORGANIZATIONS THAT:

- ✓ Are fast-paced or undergoing rapid change (M&As, startups)
- ✓ Have remote or hybrid work models
- ✓ Have people-centric cultures
- ✓ Invest in manager effectiveness, holding people leaders accountable for engagement and performance

SEE HOW BENESCH DOES IT →



PERFORMANCE REVIEWS



FEEDBACK



1-ON-1S



RECOGNITION



ACTIVITY

Mid-year and year-end performance reviews using a structured template that focuses on both performance and development.

Annual 360 feedback and ad hoc project, upward, and anytime feedback.

Short weekly check-ins to align on priorities and a variety of engagement/performance conversations throughout year.

Peer-to-peer recognition and automated recognition for service anniversaries.



PURPOSE

Provide dedicated conversations related to performance and development to further ensure alignment and coaching.

Create a culture of rich, frequent feedback that fuels employee development.

Build trust between managers and employees; empower managers to support performance, development, and employee experience.

Create a culture that celebrates company core values, great work, and achievements.



TRAIL GUIDES

HR launches automated cycles. Managers complete reviews with employees.

HR launches automated 360 cycles. Employees and managers initiate other types of feedback.

Managers and employees initiate.

Any employee at any level initiates.

MONTH 1



MONTH 2



MONTH 3



MONTH 4



MONTH 5



MONTH 6



MONTH 7



MONTH 8



MONTH 9



MONTH 10



MONTH 11



MONTH 12



ONGOING: feedback, recognition, weekly check-ins



SUGGESTED ITINERARY

PERFORMANCE PATHWAYS:

Collaborative Performance Coaching

This pathway leverages a systematic approach to employee feedback, closely tying performance management to business outcomes and career progression. This model is ideal for data-oriented organizations, matrixed environments, and those with structured hierarchies, ensuring alignment between employee contributions and strategic goals.

BEST FOR ORGANIZATIONS THAT:

- ✓ Use data for workforce management (vs talent development)
- ✓ Are matrixed, where manager is reliant on other feedback sources
- ✓ Deploy mentors or coaches to handle performance, development, and career coaching
- ✓ Have highly structured role levels or hierarchies that may create obstacles for talent growth
- ✓ Use business performance to influence most workforce/talent decisions

SEE HOW FORVIS DOES IT →



PERFORMANCE REVIEWS



GOALS



1-ON-1S



FEEDBACK



TALENT REVIEWS



ACTIVITY

Semi-annual reviews using a structured template that assesses competencies, goal progress, and feedback and lightweight performance conversations between reviews.

Annual performance goals by role/level, focused on business KPIs. Development goals are also common.

Topical conversations on projects, skill development, career path guidance

Multiple feedback opportunities and sources to support development and performance evaluation, often triggered by project completion or reaching KPI milestones.

Bi-annual talent review and calibration, often led by organizational leaders.



PURPOSE

Discuss and align on past performance and developmental goals. Performance reviews yield a rating.

Serve as performance metrics, create accountability for business objectives, and inspire employee development.

Discuss immediate and long-term topics that relate to current projects and priorities, professional development, and career growth.

Informs employee development, performance reviews, and workforce decisions.

Assess talent across the organization or within functions/regions to make promotion, compensation, or other talent decisions.



TRAIL GUIDES

HR launches automated cycles. Managers complete reviews with employees.

Leaders determine organizational goals. Functional leaders may set individual goals. Employees and managers/mentors/coaches set development goals.

HR may launch automated cycles or managers/project leads may initiate.

Often automated or launched by HR, managers, or project leads.

HR launches automated cycle.

MONTH 1



MONTH 2



MONTH 3



MONTH 4



MONTH 5



MONTH 6



MONTH 7



MONTH 8



MONTH 9



MONTH 10



MONTH 11



MONTH 12



ONGOING: feedback, recognition



PERFORMANCE PATHWAYS:

Continuous Performance Coaching

This pathway drives high-performing teams through alignment, frequent goal updates, and ongoing performance conversations. This approach is best suited for organizations prepared for a more continuous performance management approach.

BEST FOR ORGANIZATIONS THAT:

- ✓ Are fast-paced and focused on innovation
- ✓ Are rapidly growing
- ✓ Have dynamic, agile roles
- ✓ Are prepared for a continuous approach to performance

SEE HOW SCOOTER'S COFFEE DOES IT →



PERFORMANCE REVIEWS



GOALS



1-ON-1S



TALENT REVIEWS



SUCCESSION PLANNING



ACTIVITY

Quarterly performance conversations that result in simple rating such as *on track*, *realign*, or *off track*.

Individual and team goals aligned to organizational goals and employee development goals.

Weekly check-ins and dedicated career growth and development conversations.

Managers complete based on quarterly performance reviews and 1-on-1s, then leaders and HR Business Partners discuss and recommend actions.

Executive leaders determine and manage critical roles on an annual basis.



PURPOSE

Align with employees on performance/development and priorities for the upcoming quarter. Output fuels Talent Review ratings.

Align employee's efforts toward company objectives.

Support and coach employees on goal priorities and progress.

Continuously develop talent to meet current and future business needs.

Identify and develop candidates for critical roles for the organization's current and future success.



TRAIL GUIDES

HR launches automated cycles. Managers conduct reviews with employees.

Executives set company-level goals; executives, functional leaders set department goals; managers, employees collaborate on individual goals.

Managers and employees initiate conversations.

HR launches automated cycles.

HR facilitates process.

MONTH 1



MONTH 2



MONTH 3



MONTH 4



MONTH 5



MONTH 6



MONTH 7



MONTH 8



MONTH 9



MONTH 10



MONTH 11



MONTH 12



ONGOING: feedback, recognition, weekly check-ins



Go to your design & implementation guide.

Once you've chosen a performance pathway, click below for a deeper dive on how to design and implement the program for your organization.

Performance Evaluation >

Performance Development >

Performance Coaching >

Collaborative Performance Coaching >

Continuous Performance Coaching >

Designing Your Own >

If you're having trouble choosing the best path for you, contact your Quantum Workplace team.

